

1. DEFINITIONS

“Seller” means Aanderaa Data Instruments (AADI). “Buyer” means the legal entity purchasing Goods from Seller. “Goods” means the products and services offered by Seller and purchased by Buyer.

“Quotation” means any quote, proposal, or offer to sell Goods provided by Seller to Buyer. “Order” means any purchase order or similar instrument issued by Buyer to Seller to purchase Goods.

“Order Acknowledgement” means an acknowledgement of an Order in writing from Seller to Buyer.

Seller and Buyer are sometimes referred to herein individually as a “Party” and collectively as the “Parties”.

2. ACCEPTANCE

The terms and conditions included in this “Terms and Conditions of Sale” document (hereinafter, this “Sales Terms”) apply to all Quotations made by Seller to Buyer and all Buyer’s Orders accepted by Seller. Acceptance of Buyer’s Orders, and any changes or amendments thereto, is expressly conditioned upon Buyer’s assent to these terms and conditions.

Any Quotation is given on the basis that no binding contract shall come into existence until Seller dispatches an Order Acknowledgement to Buyer.

Unless specifically agreed to in writing by a duly authorized representative of Seller, Seller objects to, and is not bound by, any terms or conditions that differ from or add to the terms and conditions specified herein. Seller’s failure to object to any terms and conditions or any other provisions contained in any communication from Buyer, including, but not limited to, Buyer’s Orders, does not waive any of the terms and conditions specified herein. Seller’s acceptance of any resulting Order or Buyer’s receipt of Goods, whichever occurs first, will conclusively evidence Buyer’s unconditional acceptance of these terms and conditions.

3. SALES PROCEDURES

A standard purchase of Goods shall normally follow these sales procedures:

- Seller will send Buyer a Quotation.
- Buyer will send Seller an Order.
- Seller will send Buyer an Order Acknowledgement in writing.

4. PRICES

All prices are stated in Norwegian Kroner (NOK), US Dollars (USD), Euros (EUR) or British Pounds (GBP) and the prices quoted are valid for a period of thirty (30) days from the date of Seller’s Quotation. The prices offered apply only to the specific quantities, specifications, and delivery schedules set forth in Seller’s Offer. Any variation in quantity, specifications, or delivery schedules may necessitate a price and/or delivery schedule adjustment. All prices are exclusive VAT (Norwegian: MVA) and other taxes or import duties etc. Unless stated otherwise, all deliveries are Ex works, as defined by INCOTERMS 2000.

5. CREDIT APPROVAL AND PAYMENT

Standard payment terms for domestic Orders are net thirty (30) days from date of Seller’s invoice, subject to credit approval of Buyer by Seller.

Payment terms for international orders may be cash in advance by wire transfer at least seven (7) days prior to shipping from factory or an irrevocable letter of credit confirmed with Seller’s bank. Irrevocable letter of credit shall be presented at least three (3) weeks prior to dispatch from factory. Seller may add costs for storage of the Order if payment terms are not fully met at the date of shipping.

Credit terms, shipments, and performance of work are at all times subject to the approval of Seller’s Credit Department. Each shipment is a separate and independent transaction and payment must be made by Buyer accordingly.

If, prior to shipment of Buyer’s Order, Buyer fails to fulfill the terms of payment of any prior invoice submitted by Seller, Seller reserves the right to change, without notice, the terms of payment and/or delay or discontinue further shipments, without prejudice to any other available legal remedies, until past due obligations have been paid and Seller has received acceptable assurance regarding Buyer’s prompt payment of future obligations.

All amounts due to Seller but not paid by Buyer on the due date bear an interest payable rate. Buyer will also be liable to Seller for any expenses incidental to collection of past due amounts, including reasonable attorney’s fees and court costs. In the event of Buyer’s bankruptcy or insolvency, Seller is entitled to terminate any Order then outstanding and to receive reimbursement for termination costs and expenses as provided under Paragraph 10, Termination.

6. SHIPPING TERMS AND RISK OF LOSS

All shipments by Seller are Ex-Works, as defined by INCOTERMS 2000. Risk of loss for Goods will transfer to Buyer upon Seller presenting Goods to carrier. If Seller prepays shipping, insurance, or other related costs, Buyer agrees to reimburse Seller promptly for the actual costs incurred by Seller.

7. PACKING AND PACKAGING

Seller's prices for Goods include Seller's standard commercial packing and packaging. Any non-standard or special packing or packaging requirements requested by Buyer will be provided by Seller at additional cost to Buyer.

8. INSPECTION AND TESTS

All Goods manufactured by Seller are subject to Seller's standard inspection processes and, if applicable, acceptance testing at Seller's facility. Any additional requirements, including, without limitation, Buyer's source inspection or additional testing, are at Buyer's sole expense.

9. DELIVERY SCHEDULES AND FORCE MAJEURE

Shipping dates are on Ex Works terms and conditions and require prompt receipt of all necessary Buyer-furnished information and material if applicable. If delivery dates are on other terms and conditions than Ex Works, this should be clearly stated in the Purchase Order and the Order Acknowledgement.

Seller is not liable for any damages, re-procurement costs, or penalties related to late deliveries. Seller is not liable for delays due to force majeure, strikes or any other causes beyond the reasonable control of Seller. In the event of such delay, Seller will promptly notify Buyer and the date(s) of delivery will be deferred for a period in proportion with the time lost due to the delay. If the excusable delay under force majeure continues for more than ninety (90) days, Seller and Buyer will each have the option of terminating the affected Order(s).

10. TERMINATION

Either Party may terminate the Order if the other Party breaches a material provision of this Agreement or of the Order. In the event that a Party (the "Defaulting Party") is in breach of a material provision of the Order, the other Party (the "Non-Defaulting Party") will submit a written cure notice to the Defaulting Party advising of such breach. The Defaulting Party will have fifteen (15) days to cure the breach. If the Defaulting Party does not cure the breach within the fifteen (15) day period, the Non-Defaulting Party may terminate the Order.

Ordered Goods accepted by Seller and terminated by Buyer prior to delivery, shall be subject to a termination charge of not less than fifteen percent (15%) of the ordered value to cover costs of processing and order handling. After delivery no such order may be terminated except by mutual agreement in writing.

11. CHANGE ORDERS AND AMENDMENTS

All change order requests must be submitted by the Buyer to the Seller in writing and will not be effective unless and until Seller consents in writing to the change(s). Seller will advise Buyer in writing of the price and/or delivery schedule impact, if any, of the change request. Seller's acceptance of changes will be subject to Buyer's agreement to any price and/or delivery schedule adjustments.

12. LIMITED WARRANTY

Seller warrants that standard Goods manufactured by Seller will be free from defects in material and workmanship for a period of twenty-four (24) months from the date of original shipment, provided the goods are returned to the manufacturer's plant for service after twelve (12) months from the date of original shipment. Otherwise the warranty period will be twelve (12) months.

For non standard deliveries like systems and customized solutions the Seller warrants that the delivery will be free from defects in material and workmanship for a period of twelve (12) months from the date of the original shipment

Components and consumables manufactured by third parties will bear the warranty of their manufacturer.

The specific warranty for a given product is the one in effect on the date of shipment. In the event that Buyer identifies any defects in material or workmanship, Buyer will promptly notify Seller of the defective Goods and the specific nature of the defect in accordance with Paragraph 13, Return Authorizations.

Seller, at its sole discretion, will either repair or replace any such Goods found by Seller to be defective. Seller's warranty does not apply to any Goods that have been subjected to improper installation, misuse, alteration, repair, neglect, accident, fire, or the like.

The following are not covered by Seller's Warranties:

Damage resulting from collision with any object, anchoring, Acts of God, water, sand, dirt, exposure to weather conditions, battery leakage, theft, misuse, abuse, improper use of electrical source and or battery charges, appearance items, antennas, jacks, sockets, switches and cables do not form part of the conditional warranty.

Software

Where software discrepancies are identified and or operational bugs are found these should immediately be brought to the attention of Factory. The warrant is limited to the rectification of the discrepancy or bug by software upgrade, and should not exceed the original operational and technical specification as defined in the "Operational and Technical Manual" for each product.

Goods repaired or serviced by Seller will be free from defects in material and workmanship for a period of twelve (12) months. New failures with no relation to previous repairs are not covered by this warranty.

13. RETURN AUTHORIZATIONS

No Goods may be returned without Seller's prior authorization, as evidenced by a return authorization. Once a return authorization number is obtained, Buyer will return Goods to the manufacturer's plant or service office. Shipment shall be prepaid. When returning Goods or sending Goods for service, Sellers Service Order Form should accompany the shipment. If the Goods are shipped from abroad an original and one copy of the commercial or shipping invoice must accompany the shipment and must provide a statistical value for each item included in the shipment.

Custom brokerage and handling charges related to the import of the Goods shall be covered by Buyer. Shipments concerning warranty shall be shipped to Seller's shipping agent indicated in Sellers Service Order Form.

The return authorization number must appear on the shipping label along with all paperwork associated with the return.

Also, the invoice must include a note within the body but after the itemized list of items being returned, that these Goods are:
Returned to the original manufacturer for service/repair.

Return shipping charges from Seller to Buyer on Goods repaired or replaced under warranty will be paid for by Seller in addition to charges related to import of the Goods into the country of origin

Failure to follow Seller's return procedures may result in lost Goods, delays, warranty denial, refusal of a shipment or other additional charges.

Seller has the right to reject Goods returned without the correct return authorization number clearly marked on the outside of the shipping container. Granting a return authorization number does not necessarily mean that a credit will be approved or that the evaluation or repair will take place without a fee.

14. INDEMNIFICATION

Each Party will hold harmless the other Party against all claims, judgments, costs, and fees coming from the use or operation of the Goods, and consequential damages hereof.

15. LIMITATION OF LIABILITY

Notwithstanding any other provisions of this agreement, under no circumstances is either party liable for any consequential damages arising out of or related to its performance under this agreement, whether based upon breach of this agreement, warranty, or negligence. Seller's total liability is limited to no more than the amount paid to seller for the specific item or product under buyer's order.

16. ARBITRATION AND LAW

The Sales Terms shall be governed by and construed in accordance with the laws of Norway. Parties hereto accept Bergen City Court as the proper legal venue for the settlement of any controversy or dispute that may arise in connection with, or as a result of, the Order which the Parties are unable to resolve by mutual agreement after maximum 4 weeks negotiations after a potential dispute is notified to the other Party in writing.

17. ASSIGNMENT

Buyer may not assign or transfer this Agreement or any Order on these Sales Terms, in whole or in part, without the prior written approval of Seller.

18. AMENDMENT

This document is the entire understanding between the Parties, and it supersedes all previous or additional agreements, arrangements, and drafts. These Terms and Conditions may be amended or modified only by written agreement of duly authorized representatives of both Parties.